



March 1, 1989

Hon. Noretta R. McGee
Secretary
Interstate Commerce Commission
Washington, DC 20423

Istel Rail Corporation

55 Francisco Street
San Francisco, California 94133
(415) 984-4000
(415) 781-1035 Fax

RECORDATION NO. 15064
FILED 1425
MAR 6 1989 - 11 05 AM
INTERSTATE COMMERCE COMMISSION

Date 3/6/89

Fee \$ 13

ICC Washington, D. C.

Re: Quarterly Supplement No. 8 to the Assignment of Lease Agreement between Istel Rail Corporation and Heller Financial, Inc.

Dear Ms. McGee:

On behalf of Istel Rail Corporation, the above instrument, in four (4) counterparts, is hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$13 recordation fee.

Please record this Supplement under the Assignment of Lease Agreement dated as of September 30, 1986, between Istel Rail Corporation and Heller Financial, Inc., which was filed with the ICC on October 7, 1986, under Recordation No. 15064.

The parties to the aforementioned instrument are listed below:

Istel Rail Corporation (Borrower)
55 Francisco Street
San Francisco, California 94133

Heller Financial, Inc. (Secured Party)
200 North LaSalle Street
Chicago, Illinois 60601

This Supplement reflects new leases entered into during the fourth calendar quarter of 1988 as set forth on Schedule A-7 attached thereto.

Please return to the undersigned the stamped counterparts not required for filing purposes, together with the ICC fee receipt and acknowledgment letter.

Very truly yours,

Patricia Schumacker
Patricia Schumacker
Legal Department

QUARTERLY SUPPLEMENT NO. 8
TO THE ASSIGNMENT OF LEASE AND AGREEMENT
BETWEEN ITEL RAIL CORPORATION ("ITEL RAIL")
AND HELLER FINANCIAL, INC. ("HELLER")

RECORDATION NO. 15064-N
MAR 6 1989 - 11 05 AM
FILED 1423
INTERSTATE COMMERCE COMMISSION

WHEREAS, Itel Rail and Heller are parties to a Loan and Security Agreement (the "Loan") dated as of September 30, 1986, which became effective October 7, 1986;

WHEREAS, in furtherance of the Loan, Itel Rail and Heller have entered into an Assignment of Lease and Agreement (the "Assignment") dated as of September 30, 1986, which was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. Section 11303(a) on October 7, 1986, and given Recordation No. 15064;

WHEREAS, the parties desire that Itel Rail file quarterly supplements to Exhibit A to the Assignment to reflect the assignment of leases and subleases (the "Leases") entered into from time to time with respect to Rolling Stock (which Leases may also cover Excluded Rolling Stock) (as defined in the Assignment) and to reflect the addition of new Excluded Rolling Stock.

NOW, THEREFORE, pursuant to the premises and the covenants and promises contained in the Loan and in the Assignment, the parties agree as follows:

1. All capitalized terms used herein shall have the meanings assigned to them in the Assignment, unless otherwise stated.
2. Exhibit A of the Assignment is hereby supplemented as set forth on Exhibit A-8 attached hereto to reflect new Leases entered into during the fourth calendar quarter of 1988 with respect to Rolling Stock (which Leases may also cover Excluded Rolling Stock) and the amendment of existing Leases to add Rolling Stock thereto.

HELLER FINANCIAL, INC.

By: Allen G. Olsen
Vice President

Date: February 21, 1989

2:WP\L\77\713-PS 02/10/89 (1)

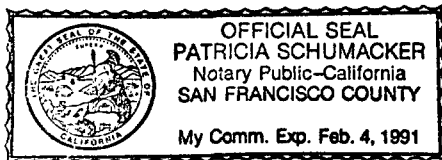
ITEL RAIL CORPORATION

By: Robert K. Kibler
Vice President - Finance

Date: February 17, 1989

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN FRANCISCO)

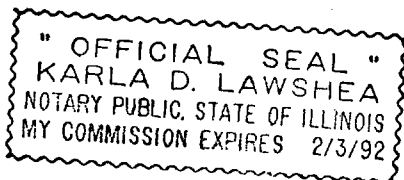
On this 17th day of February, 1989 before me personally came Robert C. Kiehle to me known, who, being by me duly sworn, did depose and say that he is the Vice President - Finance of Itel Rail Corporation, one of the parties described in and which executed the above instrument; that the execution of the above instrument was duly authorized by the board of directors of Itel Rail Corporation; and that he signed his name thereto pursuant to like authority.



Patricia Schumacker
Notary Public

STATE OF ILLINOIS)
) ss:
COUNTY OF COOK)

On this 21st day of February, 1989 before me personally came Colleen A. Palmer to me known, who, being by me duly sworn, did depose and say that she is the Vice President of Heller Financial, Inc., one of the parties described in and which executed the above instrument; that the execution of the above instrument was duly authorized by the board of directors of Heller Financial, Inc.; and that she signed her name thereto pursuant to like authority.



Karla D. Lawshea
Notary Public

Exhibit A-8
Lease Assignment

<u>LESSEE/SUBLESSEE</u> <u>EQUIPMENT NO.</u>	<u>NUMBER OF</u> <u>CARS</u>	<u>TYPE</u> <u>OF CAR</u>	<u>(SUB)LEASE</u> <u>DATE</u>	<u>RECORDATION</u> <u>NUMBER</u>	<u>DATE</u> <u>FILED</u>
<hr/>					
<u>Apalachicola Northern Railroad</u>		(Amendment No. 3)			
AN 2250-2268	19	XM	01-25-77	8796-0	12-13-88
<hr/>					
<u>Canadian National Railway</u>		(Amendment No. 2)			
CN 416000-416174	241	XM	02-15-87	15484-B	11-01-88
CN 416176-416178					
CN 416180-416242					
<hr/>					
		(Amendment No. 3)			
CN 410500-410640	249	XM	02-16-87	15483-C	11-01-88
CN 416175					
CN 416179					
CN 416243-416249					
CN 416250-416457					
<hr/>					
<u>Hartford and Slocumb Railroad</u>		(Amendment No. 5)			
HS 5000-5499	499	XM	10-19-84	14165-MMM	10-17-88
<hr/>					
<u>Interstate Bi-Modal, Inc.</u>		(Master Lease)			
			09-12-88	15852	10-06-88
<hr/>					
		(Schedule No. 1)			
SSIX 89100-89199	100	FC	09-12-88	15852-A	10-06-88
<hr/>					
<u>Iowa Interstate Railroad</u>		(Rider F)			
IAIS 902250-902299	50	FC	02-28-86	14935-H	10-17-88
<hr/>					

Exhibit A-8
Lease Assignment

<u>LESSEE/SUBLESSEE</u> <u>EQUIPMENT NO.</u>	<u>NUMBER OF</u> <u>CARS</u>	<u>TYPE</u> <u>OF CAR</u>	<u>(SUB)LEASE</u> <u>DATE</u>	<u>RECORDATION</u> <u>NUMBER</u>	<u>DATE</u> <u>FILED</u>
<u>Terre Haute Brazil & Eastern Railroad</u>			(Master Lease)		
			11-08-88	16058	12-02-88
			(Schedule No. 1)		
TBER 1100-1123	24	LO	11-08-88	16058-A	12-02-88